

Exhibit 4: Leveraging Resources

For Exhibit 4: Soundness of Approach complete and assemble the information in your application as outlined below:

1. Complete **Leveraging HOPWA Resources** and attach to the **beginning** of Exhibit 4 in your application.
2. **Rating Factor 4: Leveraging Resources (10 Points)**

This factor addresses your ability to secure community resources which can be combined with HUD's program resources to achieve program purposes. HUD will award up to **10 points** based on the extent to which resources from other public or private sources have been committed at the time of application, to support your project. To achieve the highest ratings for this factor, you must evidence commitments of leveraged resources that match or exceed the amount of HOPWA funds that are requested.

In establishing leveraging, HUD will not consider other HOPWA-funded activities, entitlement benefits inuring to eligible persons, or conditioned commitments that depend on future fund-raising or actions. In assessing the use of acceptable leveraged resources, HUD will consider the likelihood that State and local resources will be available and continue during the operating period of your grant.

In evaluating this factor HUD will also consider:

- 1) The extent to which you document leveraged resources, such as funding and/or in-kind services from governmental entities, private organizations, resident management organizations, educational institutions, or other entities to achieve the purposes of the project for which you are requesting HOPWA funds.
- 2) The extent to which the documented resources evidence that you have partnered with other entities to make more effective use of available public or private resources. Partnership arrangements may include funding or in-kind services from local governments or government agencies, nonprofit or for-profit entities, private organizations, educational institutions, or other entities that are willing to partner with you on proposed activities, or partnering with other program funding recipients to make more effective use of resources within the geographic area covered by your award.

Supporting Documentation

To receive highest leveraging points, you must document the cash value of leveraged resources pledged to your project(s). Appropriate language is described below.

Applicant or Third Party Cash Resources If this proposal is funded, (applicant name or third party name) commits \$(amount) (of its own funds, if applicant, or to applicant name, if third party) for (type of activity) to be made available to the HOPWA program. These funds will be available from (date) to (date). (Signature and Title of authorized representative and date)

Non-Cash Resources If this proposal is funded, (organization's name) commits to make available (type of resource) valued at \$(amount) to the HOPWA program proposed by (applicant name). These resources will be made available to the HOPWA program from (date) to (date). (Signature and Title of authorized representative and date)

The donation of a third party professional service should be valued at the professional's customary charge. The value of materials to be contributed to the project by a third party or by the applicant may also be counted as leveraging.

Volunteer Time. If this proposal is funded, (name of the organization or of self), commits to provide (number of hours) of volunteer time from (date) to (date) to provide (type of activity) to the HOPWA program proposed by (applicant name). The total value of these services, based on \$10.00 per hour, is \$(amount). (Signature and Title, and date)

Time to be contributed to the project by volunteers should be valued at \$10.00 per hour. In the case of individuals volunteering their time directly to the applicant, the applicant should list itself as the organization.

Contribution of a Building. If this proposal is funded, (applicant name) pledges the building at (site address) to the HOPWA program. The building has a fair market value of \$(amount). A licensed independent real estate appraiser made this assessment which is based on comparable properties in the area. (Signature of applicants authorized representative and date)

Ownership of a building or portion of a building to be used in the project may be counted as leveraging. The fair market value of the building or portion of the building being contributed may be counted. Do not send an appraisal to HUD, but keep documentation of fair market value on file. The contribution of land (as a leveraged resource for new construction) should be treated the same as contribution of a building. You will need to keep documentation of the fair market value on file, particularly if it is improved land and you wish to include the value of the improvements in the contribution.

Contribution of a Building to be Acquired with HOPWA Funds. If this proposal is funded, (applicant name) commits the building at (site address) for the HOPWA program. The building has a fair market value of \$(amount). A licensed independent real estate appraiser made this assessment which is based on comparable properties in the area. The HOPWA request for the building is \$(amount). Therefore, the contribution is the difference between the fair market value and the HOPWA request, or \$(amount). (Signature of applicants authorized representative and date)

The difference between the documented fair market value and the portion paid for with HOPWA funds may be counted as leveraging. Maintain documentation of fair rental value on file.

Contribution of Leasehold Interest. If this proposal is funded, (applicant name) commits the leasehold interest at (site address) for the HOPWA program. The fair rental value of this site is \$(amount) annually, and at constant value will amount to \$(amount) over (term of the lease, up to three years). An appropriate independent third party made this assessment which is based on comparable properties in the area. The total leasing cost over the term of the lease to be paid with HOPWA funds is \$(amount). Therefore, the contribution is the difference between the HOPWA leasing cost and the fair rental value, or \$(amount). (Signature of applicants authorized representative and date)

The difference between the fair rental value (for a term up to three years) and the cost of the lease to be paid for with HOPWA funds may be counted as leveraging.